able effect ever since.

SECRET

Egyptian-Saudi Tensions

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Mandatory Review

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Nasir and Faysal are again on a collision course. This could bring within the year major hostilities between Egypt and the Saudi monarchy, to which the US is closely linked.

EO 12958 3.4(b)(6)>25Yrs (S) This seemingly inevitable movement toward disaster began five years ago in Yemen, when Egyptian intelligence operatives helped some Yemeni army officers replace a republic. Unhappily for Nasir, the Yemeni monarchy was not destroyed. Instead, the ruler took to the hills with his family and tribal supporters, where with Saudi arms, money, and food, he launched a

guerrilla campaign that has sputtered along with reason-

Over the years, Nasir has found it an expensive proposition to keep the Yemen republic alive. At one time he had 70,000 troops there, sustained by substantial Soviet assistance. Only about half as many are there now, but this reflects a shift in Egyptian emphasis toward greater use of Soviet-supplied airpower and terror tactics, and not a decision by Nasir to cut his losses.

E0 12958 3.4(b)(6)>25Yrs (S)

The Egyptians have been stepping up their air attacks recently, Or 27 January, they bombed with high explosives the Saudi border town of Najran used by the Yemeni royalists as a supply base. The Nasirites have also begun terrorist bomb attacks within Saudi Arabia itself.

E0 12958 3.4(b)(6)>25Yrs (S) The Saudis are not taking this lying down. Their military establishment is being shored up with US Hawk missiles—a battery has already been sent to the southern border area—as well as British surface—to—air missiles.

the recent Egyptian provocations seem only to have strengthened Faysal's resolve that if Nasir ever does quit Yemen, he will not do so in triumph. Faysal is on the point of "unleashing" guerrilla warfare.

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Patient spadework begun by Ambassador Bunker in 1962 helped prepare the ground for the Agreement of Jidda in 1965. Under this accord, the Yemeni factions would form a government, the Egyptians would pull out, and the Saudis would pack away the Yemeni royal family in mothballs. The compromise soon broke down, however, with each side blaming the other. But the main reason was that Nasir saw his Yemeni assets slipping away from him just when he had spotted a new opening developing for him as the British announced their intention to leave Aden. They will probably be out of Aden within a year, leaving chaos behind them. Nasir has already trained a "liberation army" to fill the vacuum.

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When Bunker began his good offices, the interested parties could view the US as an objective, if not completely neutral, mediator. Now they do not. As recently as last week, Nasir publicly accused us of about every sin in the book. At this juncture he views the US as the moving spirit behind his current list of self-appointed enemies--Faysal, King Husayn, and the Shah of Iran.

E0 12958 3.4(b)(1)>25Yrs E0 12958 3.4(b)(6)>25Yrs (S)

What makes the Egyptian-Saudi collision course especially worrisome is that it comes at a time when the British, who have in effect policed the area for a century, are pulling out. No one has volunteered to take their place.

